

Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

## HOUSE ENROLLED ACT No. 1266

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AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

SECTION 1. IC 5-3-1-2, AS AMENDED BY P.L.141-2009, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) This section applies only when notice of an event is required to be given by publication in accordance with this chapter.

(b) If the event is a public hearing or meeting concerning any matter not specifically mentioned in subsection (c), (d), (e), (f), (g), or (h) notice shall be published one (1) time, at least ten (10) days before the date of the hearing or meeting.

(c) If the event is an election, notice shall be published one (1) time, at least ten (10) days before the date of the election.

(d) If the event is a sale of bonds, notes, or warrants, notice shall be published two (2) times, at least one (1) week apart, with:

(1) the first publication made at least fifteen (15) days before the date of the sale; and

(2) the second publication made at least three (3) days before the date of the sale.

(e) If the event is the receiving of bids, notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least seven (7) days before the date the bids will be received.

(f) If the event is the establishment of a cumulative or sinking fund, notice of the proposal and of the public hearing that is required to be



held by the political subdivision shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the date of the hearing.

(g) If the event is the submission of a proposal adopted by a political subdivision for a cumulative or sinking fund for the approval of the department of local government finance, the notice of the submission shall be published one (1) time. The political subdivision shall publish the notice when directed to do so by the department of local government finance.

(h) If the event is the required publication of an ordinance, notice of the passage of the ordinance shall be published one (1) time within thirty (30) days after the passage of the ordinance.

(i) If the event is one about which notice is required to be published after the event, notice shall be published one (1) time within thirty (30) days after the date of the event.

(j) If the event is anything else, notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the event.

(k) If any officer charged with the duty of publishing any notice required by law is unable to procure advertisement:

- (1) at the price fixed by law;
- (2) because the newspaper refuses to publish the advertisement;
- or
- (3) because the newspaper refuses to post the advertisement on the newspaper's Internet web site (if required under section 1.5 of this chapter);

it is sufficient for the officer to post printed notices in three (3) prominent places in the political subdivision, instead of publication of the notice in newspapers and on an Internet web site (if required under section 1.5 of this chapter).

(l) If a notice of budget estimates for a political subdivision is published as required in IC 6-1.1-17-3, and the published notice contains an error due to the fault of a newspaper, the notice as presented for publication is a valid notice under this chapter. **This subsection expires January 1, 2015.**

(m) Notwithstanding subsection (j), if a notice of budget estimates for a political subdivision is published as required in IC 6-1.1-17-3, and if the notice is not published at least ten (10) days before the date fixed for the public hearing on the budget estimate due to the fault of a newspaper, the notice is a valid notice under this chapter if it is published one (1) time at least three (3) days before the hearing. **This subsection expires January 1, 2015.**



SECTION 2. IC 5-3-1-2.3, AS AMENDED BY P.L.169-2006, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.3. (a) A notice published in accordance with this chapter or any other Indiana statute is valid even though the notice contains errors or omissions, as long as:

- (1) a reasonable person would not be misled by the error or omission; and
- (2) the notice is in substantial compliance with the time and publication requirements applicable under this chapter or any other Indiana statute under which the notice is published.

(b) This subsection applies if:

- (1) a county auditor publishes a notice concerning a tax rate, tax levy, or budget of a political subdivision in the county;
- (2) the notice contains an error or omission that causes the notice to inaccurately reflect the tax rate, tax levy, or budget actually proposed or fixed by the political subdivision; and
- (3) the county auditor is responsible for the error or omission described in subdivision (2).

Notwithstanding any other law, the department of local government finance may correct an error or omission described in subdivision (2) at any time. If an error or omission described in subdivision (2) occurs, the county auditor must publish, at the county's expense, a notice containing the correct tax rate, tax levy, or budget as proposed or fixed by the political subdivision. **This subsection expires January 1, 2015.**

SECTION 3. IC 6-1.1-8-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 19. **(a)** Each year a public utility company shall file a statement concerning the value and description of the property which is either owned or used by the company on the assessment date of that year. The company shall file this statement with the department of local government finance ~~on the form in the manner~~ prescribed by the department. ~~The department of local government finance may extend the due date for a statement. Unless the department of local government finance grants an extension;~~ A public utility company shall file its statement for a year:

- (1) on or before March 1st of that year unless the company is a railroad car company; or
- (2) on or before ~~May~~ **July** 1st of that year if the company is a railroad car company.

**(b) A public utility company may, not later than sixty (60) days after filing a valid and timely statement under subsection (a), file an amended statement:**

- (1) for distribution purposes;**



**(2) to correct errors; or**

**(3) for any other reason, except:**

**(A) obsolescence; or**

**(B) the credit for railroad car maintenance and improvements provided under IC 6-1.1-8.2.**

SECTION 4. IC 6-1.1-8-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 20. (a) If a public utility company does not file a statement with the department of local government finance on or before the date prescribed under section 19 of this chapter, the company shall pay a penalty of one hundred dollars (\$100) per day for each day that the statement is late. **However, a penalty under this subsection may not exceed one thousand dollars (\$1,000).**

(b) The department of local government finance shall notify the attorney general if a public utility company fails to file a statement on or before the due date. The attorney general shall then bring an action in the name of this state to collect the penalty due under this section.

(c) The state auditor shall deposit amounts collected under this section in the state treasury for credit to the state general fund.

SECTION 5. IC 6-1.1-8-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. **(a)** The department of local government finance shall assess the property of a public utility company based upon the information available to the department if the company:

(1) does not file a statement which is required under section 19 of this chapter;

(2) does not permit the department to examine the company's property, books, or records; or

(3) does not comply with a summons issued by the department.

~~An assessment which is made by the department of local government finance under this section is final unless the company establishes that the department committed actual fraud in making the assessment.~~

**(b) A public utility company may provide the department with a statement under section 19 of this chapter not later than one (1) year after the department makes the department's assessment under this section. If a public utility company does so, the department may amend the assessment it makes under this section in reliance on the public utility company's statement filed under this subsection.**

SECTION 6. IC 6-1.1-11-4, AS AMENDED BY P.L.173-2011, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) The exemption application referred to in



section 3 of this chapter is not required if the exempt property is owned by the United States, the state, an agency of this state, or a political subdivision (as defined in IC 36-1-2-13). However, this subsection applies only when the property is used, and in the case of real property occupied, by the owner.

(b) The exemption application referred to in section 3 of this chapter is not required if the exempt property is a cemetery:

- (1) described by IC 6-1.1-2-7; or
- (2) maintained by a township executive under IC 23-14-68.

(c) The exemption application referred to in section 3 of this chapter is not required if the exempt property is owned by the bureau of motor vehicles commission established under IC 9-15-1.

(d) The exemption application referred to in section 3 or 3.5 of this chapter is not required if:

- (1) the exempt property is:
  - (A) tangible property used for religious purposes described in IC 6-1.1-10-21;
  - (B) tangible property owned by a church or religious society used for educational purposes described in IC 6-1.1-10-16;
  - (C) other tangible property owned, occupied, and used by a person for educational, literary, scientific, religious, or charitable purposes described in IC 6-1.1-10-16; or
  - (D) other tangible property owned by a fraternity or sorority (as defined in IC 6-1.1-10-24).
- (2) the exemption application referred to in section 3 or 3.5 of this chapter was filed properly at least once for a religious use under IC 6-1.1-10-21, an educational, literary, scientific, religious, or charitable use under IC 6-1.1-10-16, or use by a fraternity or sorority under IC 6-1.1-10-24; and
- (3) the property continues to meet the requirements for an exemption under IC 6-1.1-10-16, IC 6-1.1-10-21, or IC 6-1.1-10-24.

A change in ownership of property does not terminate an exemption of the property if after the change in ownership the property continues to meet the requirements for an exemption under IC 6-1.1-10-16, IC 6-1.1-10-21, or IC 6-1.1-10-24. However, if title to any of the real property subject to the exemption changes or any of the tangible property subject to the exemption is used for a nonexempt purpose after the date of the last properly filed exemption application, the person that obtained the exemption or the current owner of the property shall notify the county assessor for the county where the tangible property is located of the change in the year that the change occurs. The notice



must be in the form prescribed by the department of local government finance. If the county assessor discovers that title to property granted an exemption described in IC 6-1.1-10-16, IC 6-1.1-10-21, or IC 6-1.1-10-24 has changed, the county assessor shall notify the persons entitled to a tax statement under IC 6-1.1-22-8.1 for the property of the change in title and indicate that the county auditor will suspend the exemption for the property until the persons provide the county assessor with an affidavit, signed under penalties of perjury, that identifies the new owners of the property and indicates that the property continues to meet the requirements for an exemption under IC 6-1.1-10-21, IC 6-1.1-10-16, or IC 6-1.1-10-24. Upon receipt of the affidavit, the county assessor shall reinstate the exemption for the years for which the exemption was suspended and each year thereafter that the property continues to meet the requirements for an exemption under IC 6-1.1-10-21, IC 6-1.1-10-16, or IC 6-1.1-10-24.

(e) If, after an assessment date, an exempt property is transferred or its use is changed resulting in its ineligibility for an exemption under IC 6-1.1-10, the county assessor shall terminate the exemption for that assessment date. However, if the property remains eligible for an exemption under IC 6-1.1-10 following the transfer or change in use, the exemption shall be left in place for that assessment date. For the following assessment date, the person that obtained the exemption or the current owner of the property, as applicable, shall, under section 3 of this chapter and except as provided in this section, file a certified application in duplicate with the county assessor of the county in which the property that is the subject of the exemption is located. In all cases, the person that obtained the exemption or the current owner of the property shall notify the county assessor for the county where the tangible property is located of the change in ownership or use in the year that the change occurs. The notice must be in the form prescribed by the department of local government finance.

(f) If the county assessor discovers that title to or use of property granted an exemption under IC 6-1.1-10 has changed, the county assessor shall notify the persons entitled to a tax statement under IC 6-1.1-22-8.1 for the property of the change in title or use and indicate that the county auditor will suspend the exemption for the property until the persons provide the county assessor with an affidavit, signed under penalties of perjury, that identifies the new owners or use of the property and indicates whether the property continues to meet the requirements for an exemption under IC 6-1.1-10. Upon receipt of the affidavit, the county assessor shall



**reinstate the exemption under IC 6-1.1-15-12. However, a claim under IC 6-1.1-26-1 for a refund of all or a part of a tax installment paid and any correction of error under IC 6-1.1-15-12 must be filed not later than three (3) years after the taxes are first due.**

SECTION 7. IC 6-1.1-12-10.1, AS AMENDED BY P.L.144-2008, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10.1. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by section 9 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is located. With respect to real property, the statement must be ~~filed during the year for which the individual wishes to obtain the deduction:~~ **completed and dated in the calendar year for which the individual wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement referred to in subsection (a) shall be in affidavit form or require verification under penalties of perjury. The statement must be filed in duplicate if the applicant owns, or is buying under a contract, real property, a mobile home, or a manufactured home subject to assessment in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) the source and exact amount of gross income received by the individual and the individual's spouse during the preceding calendar year;
- (2) the description and assessed value of the real property, mobile home, or manufactured home;
- (3) the individual's full name and complete residence address;
- (4) the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on contract; and
- (5) any additional information which the department of local government finance may require.

(c) In order to substantiate the deduction statement, the applicant



shall submit for inspection by the county auditor a copy of the applicant's and a copy of the applicant's spouse's income tax returns for the preceding calendar year. If either was not required to file an income tax return, the applicant shall subscribe to that fact in the deduction statement.

SECTION 8. IC 6-1.1-12-12, AS AMENDED BY P.L.1-2009, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided in section 11 of this chapter must file an application, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property, the application must be ~~filed during the year for which the individual wishes to obtain the deduction.~~ **completed and dated in the calendar year for which the person wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the application must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) Proof of blindness may be supported by:

- (1) the records of the division of family resources or the division of disability and rehabilitative services; or
- (2) the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home.

SECTION 9. IC 6-1.1-12-15, AS AMENDED BY P.L.293-2013(ts), SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by section 13 or 14 of this





chapter must file a statement with the auditor of the county in which the individual resides. With respect to real property, the statement must be ~~filed during the year for which the individual wishes to obtain the deduction.~~ **completed and dated in the calendar year for which the individual wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain a sworn declaration that the individual is entitled to the deduction.

(b) In addition to the statement, the individual shall submit to the county auditor for the auditor's inspection:

- (1) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 13 of this chapter;
- (2) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or
- (3) the appropriate certificate of eligibility issued to the individual by the Indiana department of veterans' affairs if the individual claims the deduction provided by section 13 or 14 of this chapter.

(c) If the individual claiming the deduction is under guardianship, the guardian shall file the statement required by this section. If a deceased veteran's surviving spouse is claiming the deduction, the surviving spouse shall provide the documentation necessary to establish that at the time of death the deceased veteran satisfied the requirements of section 13(a)(1) through 13(a)(4) of this chapter or section 14(a)(1) through 14(a)(4) of this chapter, whichever applies.

(d) If the individual claiming a deduction under section 13 or 14 of this chapter is buying real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property under a contract that provides that the individual is to pay property taxes for the real estate, mobile home, or manufactured home, the statement required by this section must contain the record number and page where the contract or memorandum of the contract is recorded.

SECTION 10. IC 6-1.1-12-17, AS AMENDED BY P.L.144-2008, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



UPON PASSAGE]: Sec. 17. Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a surviving spouse who desires to claim the deduction provided by section 16 of this chapter must file a statement with the auditor of the county in which the surviving spouse resides. With respect to real property, the statement must be ~~filed during the year for which the surviving spouse wishes to obtain the deduction.~~ **completed and dated in the calendar year for which the person wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain:

- (1) a sworn statement that the surviving spouse is entitled to the deduction; and
- (2) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property on a contract that provides that the individual is to pay property taxes on the real property.

In addition to the statement, the surviving spouse shall submit to the county auditor for the auditor's inspection a letter or certificate from the United States Department of Veterans Affairs establishing the service of the deceased spouse in the military or naval forces of the United States before November 12, 1918.

SECTION 11. IC 6-1.1-12-17.5, AS AMENDED BY P.L.144-2008, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17.5. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a veteran who desires to claim the deduction provided in section 17.4 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is assessed. With respect to real property, the veteran must ~~file the statement during the year for which the veteran wishes to obtain the deduction.~~ **complete and date the statement in the calendar year for which the veteran wishes to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed



as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement required under this section shall be in affidavit form or require verification under penalties of perjury. The statement shall be filed in duplicate if the veteran has, or is buying under a contract, real property in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) a description and the assessed value of the real property, mobile home, or manufactured home;
- (2) the veteran's full name and complete residence address;
- (3) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home; and
- (4) any additional information which the department of local government finance may require.

SECTION 12. IC 6-1.1-12-27.1, AS AMENDED BY P.L.137-2012, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 27.1. Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 26 or 26.1 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, manufactured home, or solar power device is subject to assessment. With respect to real property or a solar power device that is assessed as distributable property under IC 6-1.1-8 or as personal property, the person must ~~file the statement during the year for which the person desires to obtain the deduction.~~ **complete and date the certified statement in the calendar year for which the person wishes to obtain the deduction and file the certified statement with the county auditor on or before January 5 of the immediately succeeding calendar year.** Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, with respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The person must:



- (1) own the real property, mobile home, or manufactured home or own the solar power device;
- (2) be buying the real property, mobile home, manufactured home, or solar power device under contract; or
- (3) be leasing the real property from the real property owner and be subject to assessment and property taxation with respect to the solar power device;

on the date the statement is filed under this section. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the real property, mobile home, manufactured home, or solar power device is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

SECTION 13. IC 6-1.1-12-30, AS AMENDED BY P.L.1-2009, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 30. Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 29 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must ~~file the statement during the year for which the person desires to obtain the deduction.~~ **complete and date the statement in the calendar year for which the person desires to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The person must:

- (1) own the real property, mobile home, or manufactured home; or
- (2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under this section. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

SECTION 14. IC 6-1.1-12-35.5, AS AMENDED BY P.L.1-2009, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



UPON PASSAGE]: Sec. 35.5. (a) Except as provided in section 36 or 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 31, 33, 34, or 34.5 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance and proof of certification under subsection (b) or (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in subsection (e), with respect to property that is not assessed under IC 6-1.1-7, the person must ~~file the statement during the year for which the person wishes to obtain the deduction. The person must file the statement in each year for which the person desires to obtain the deduction.~~ **complete and date the certified statement in the calendar year for which the person wishes to obtain the deduction and file the certified statement with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a property which is assessed under IC 6-1.1-7, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

(b) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. The department of environmental management, upon application by a property owner, shall determine whether a system or device qualifies for a deduction provided by section 31, 33, or 34 of this chapter. If the department determines that a system or device qualifies for a deduction, it shall certify the system or device and provide proof of the certification to the property owner. The department shall prescribe the form and manner of the certification process required by this subsection.

(c) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. If the department of environmental management receives an application for certification, the department shall determine whether the system or device qualifies for a deduction. If the department fails to make a determination under this subsection before December 31 of the year in which the application is received, the system or device is considered certified.

(d) A denial of a deduction claimed under section 31, 33, 34, or 34.5



of this chapter may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the township assessor county property tax assessment board of appeals, or department of local government finance.

(e) A person who timely files a personal property return under IC 6-1.1-3-7(a) for an assessment year and who desires to claim the deduction provided in section 31 of this chapter for property that is not assessed under IC 6-1.1-7 must file the statement described in subsection (a) during the year in which the personal property return is filed.

(f) This subsection applies only to an application for a deduction under section 34.5 of this chapter. The center for coal technology research established by IC 21-47-4-1, upon receiving an application from the owner of a building, shall determine whether the building qualifies for a deduction under section 34.5 of this chapter. If the center determines that a building qualifies for a deduction, the center shall certify the building and provide proof of the certification to the owner of the building. The center shall prescribe the form and procedure for certification of buildings under this subsection. If the center receives an application for certification of a building under section 34.5 of this chapter:

- (1) the center shall determine whether the building qualifies for a deduction; and
- (2) if the center fails to make a determination before December 31 of the year in which the application is received, the building is considered certified.

SECTION 15. IC 6-1.1-12-38, AS AMENDED BY P.L.1-2009, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 38. (a) A person is entitled to a deduction from the assessed value of the person's property in an amount equal to the difference between:

- (1) the assessed value of the person's property, including the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-16-2-44 and the pesticide storage rules adopted by the state chemist under IC 15-16-4-52; minus
- (2) the assessed value of the person's property, excluding the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-16-2-44 and the pesticide storage rules adopted by the state chemist under IC 15-16-4-52.

(b) To obtain the deduction under this section, a person must file a



certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is subject to assessment. In addition to the certified statement, the person must file a certification by the state chemist listing the improvements that were made to comply with the fertilizer storage rules adopted under IC 15-16-2-44 and the pesticide storage rules adopted by the state chemist under IC 15-16-4-52. Subject to section 45 of this chapter, the statement ~~and certification must be filed during the year preceding the year the deduction will first be applied.~~ **must be completed and dated in the calendar year for which the person wishes to obtain the deduction, and the statement and certification must be filed with the county auditor on or before January 5 of the immediately succeeding calendar year.** Upon the verification of the statement and certification by the assessor of the township in which the property is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

(c) The deduction provided by this section applies only if the person:

- (1) owns the property; or
- (2) is buying the property under contract;

on the assessment date for which the deduction applies.

SECTION 16. IC 6-1.1-12-45, AS ADDED BY P.L.144-2008, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 45. (a) Subject to subsections (b) and (c), a deduction under this chapter applies for an assessment date and for the property taxes due and payable based on the assessment for that assessment date, regardless of whether with respect to the real property or mobile home or manufactured home not assessed as real property:

- (1) the title is conveyed one (1) or more times; or
- (2) one (1) or more contracts to purchase are entered into;

after that assessment date and on or before the next succeeding assessment date.

(b) Subsection (a) applies

- ~~(1) only if the title holder or the contract buyer on that next succeeding assessment date is eligible for the deduction for that next succeeding assessment date; and~~

~~(2) regardless of whether:~~

- ~~(A) (1) one (1) or more grantees of title under subsection (a)(1);~~

or

- ~~(B) (2) one (1) or more contract purchasers under subsection (a)(2);~~



~~files~~ **file** a statement under this chapter to claim the deduction.

(c) A deduction applies under subsection (a) for only one (1) year. The requirements of this chapter for filing a statement to apply for a deduction under this chapter apply to subsequent years.

(d) If:

- (1) a statement is filed under this chapter ~~in~~ **on or before January 5 of** a calendar year to claim a deduction under this chapter with respect to real property; and
- (2) the eligibility criteria for the deduction are met;

the deduction applies for the assessment date in ~~that~~ **the preceding** calendar year and for the property taxes due and payable based on the assessment for that assessment date.

(e) If:

- (1) a statement is filed under this chapter in a twelve (12) month filing period designated under this chapter to claim a deduction under this chapter with respect to a mobile home or a manufactured home not assessed as real property; and
- (2) the eligibility criteria for the deduction are met;

the deduction applies for the assessment date in that twelve (12) month period and for the property taxes due and payable based on the assessment for that assessment date.

SECTION 17. IC 6-1.1-12.6-3, AS ADDED BY P.L.70-2008, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A property owner that qualifies for the deduction under this chapter **and that desires to receive the deduction** must ~~file a statement containing the information required by subsection (b) with the county auditor to claim the deduction for each assessment date for which the property owner wishes to receive the deduction~~ **complete and date a statement containing the information required by subsection (b) in the calendar year for which the person desires to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year,** in the manner prescribed in rules adopted under section 9 of this chapter. The township assessor shall verify each statement filed under this section, and the county auditor shall:

- (1) make the deductions; and
- (2) notify the county property tax assessment board of appeals of all deductions approved;

under this section.

(b) The statement referred to in subsection (a) must be verified under penalties for perjury and must contain the following information:





- (1) The assessed value of the real property for which the person is claiming the deduction.
- (2) The full name and complete business address of the person claiming the deduction.
- (3) The complete address and a brief description of the real property for which the person is claiming the deduction.
- (4) The name of any other county in which the person has applied for a deduction under this chapter for that assessment date.
- (5) The complete address and a brief description of any other real property for which the person has applied for a deduction under this chapter for that assessment date.

SECTION 18. IC 6-1.1-12.8-4, AS ADDED BY P.L.175-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A property owner that qualifies for the deduction under this chapter **and that desires to receive the deduction** must ~~file a statement containing the information required by subsection (b) with the county auditor to claim the deduction for each assessment date for which the property owner wishes to receive the deduction~~ **complete and date a statement containing the information required by subsection (b) in the calendar year for which the person desires to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year,** in the manner prescribed in rules adopted under section 8 of this chapter. The township assessor, or the county assessor if there is no township assessor for the township, shall verify each statement filed under this section, and the county auditor shall:

- (1) make the deductions; and
- (2) notify the county property tax assessment board of appeals of all deductions approved;

under this section.

(b) The statement referred to in subsection (a) must be verified under penalties for perjury and must contain the following information:

- (1) The assessed value of the real property for which the person is claiming the deduction.
- (2) The full name and complete business address of the person claiming the deduction.
- (3) The complete address and a brief description of the real property for which the person is claiming the deduction.
- (4) The name of any other county in which the person has applied for a deduction under this chapter for that assessment date.
- (5) The complete address and a brief description of any other real



property for which the person has applied for a deduction under this chapter for that assessment date.

(6) An affirmation by the owner that the owner is receiving not more than three (3) deductions under this chapter, including the deduction being applied for by the owner, either:

(A) as the owner of the residence in inventory; or

(B) as an owner that is part of an affiliated group.

(7) An affirmation that the real property has not been leased and will not be leased for any purpose during the term of the deduction.

SECTION 19. IC 6-1.1-15-12, AS AMENDED BY P.L.172-2011, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Subject to the limitations contained in subsections (c), ~~and~~ (d), **and (i)**, a county auditor shall correct errors which are discovered in the tax duplicate for any one (1) or more of the following reasons:

(1) The description of the real property was in error.

(2) The assessment was against the wrong person.

(3) Taxes on the same property were charged more than one (1) time in the same year.

(4) There was a mathematical error in computing the taxes or penalties on the taxes.

(5) There was an error in carrying delinquent taxes forward from one (1) tax duplicate to another.

(6) The taxes, as a matter of law, were illegal.

(7) There was a mathematical error in computing an assessment.

(8) Through an error of omission by any state or county officer, the taxpayer was not given:

(A) the proper credit under IC 6-1.1-20.6-7.5 for property taxes imposed for an assessment date after January 15, 2011;

(B) any other credit permitted by law;

(C) an exemption permitted by law; or

(D) a deduction permitted by law.

(b) **Subject to subsection (i)**, the county auditor shall correct an error described under subsection (a)(1), (a)(2), (a)(3), (a)(4), or (a)(5) when the county auditor finds that the error exists.

(c) If the tax is based on an assessment made or determined by the department of local government finance, the county auditor shall not correct an error described under subsection (a)(6), (a)(7), or (a)(8) until after the correction is either approved by the department of local government finance or ordered by the tax court.

(d) If the tax is not based on an assessment made or determined by



the department of local government finance, the county auditor shall correct an error described under subsection (a)(6), (a)(7), or (a)(8) only if the correction is first approved by at least two (2) of the following officials:

- (1) The township assessor (if any).
- (2) The county auditor.
- (3) The county assessor.

If two (2) of these officials do not approve such a correction, the county auditor shall refer the matter to the county board for determination. The county board shall provide a copy of the determination to the taxpayer and to the county auditor.

(e) A taxpayer may appeal a determination of the county board to the Indiana board for a final administrative determination. An appeal under this section shall be conducted in the same manner as appeals under sections 4 through 8 of this chapter. The Indiana board shall send the final administrative determination to the taxpayer, the county auditor, the county assessor, and the township assessor (if any).

(f) If a correction or change is made in the tax duplicate after it is delivered to the county treasurer, the county auditor shall transmit a certificate of correction to the county treasurer. The county treasurer shall keep the certificate as the voucher for settlement with the county auditor.

(g) A taxpayer that files a personal property tax return under IC 6-1.1-3 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's personal property tax return. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's personal property tax return, the taxpayer must instead file an amended personal property tax return under IC 6-1.1-3-7.5.

(h) A taxpayer that files a statement under IC 6-1.1-8-19 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's statement. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's statement, the taxpayer must instead initiate an objection under IC 6-1.1-8-28 or an appeal under IC 6-1.1-8-30.

**(i) A taxpayer is not entitled to relief under this section unless the taxpayer files a petition to correct an error:**

- (1) with the auditor of the county in which the taxes were originally paid; and**
- (2) within three (3) years after the taxes were first due.**

SECTION 20. IC 6-1.1-17-3, AS AMENDED BY P.L.137-2012, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2014]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. The political subdivision or appropriate fiscal body, if the political subdivision is subject to section 20 of this chapter, shall **(before January 1, 2015) at least ten (10) days before the public hearing**, give notice ~~by publication~~ to taxpayers of:

- (1) the estimated budget;
- (2) the estimated maximum permissible levy;
- (3) the current and proposed tax levies of each fund; and
- (4) the amounts of excessive levy appeals to be requested.

The political subdivision or appropriate fiscal body shall also state the time and place at which the political subdivision or appropriate fiscal body will hold a public hearing on these items. The political subdivision or appropriate fiscal body shall **(before January 1, 2015)** publish the notice twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing. The first publication must be before September 14, and the second publication must be before September 21 of the year. The political subdivision shall pay for the publishing of the notice. **The political subdivision shall submit this information to the department's computer gateway before September 14 of each year and at least ten (10) days before the public hearing required by this subsection in the manner prescribed by the department. The department shall make this information available to taxpayers, at least ten (10) days before the public hearing, through its computer gateway and provide a telephone number through which taxpayers may request mailed copies of a political subdivision's information under this subsection. The department's computer gateway must allow a taxpayer to search for the information under this subsection by the taxpayer's address. The department shall review only the submission to the department's computer gateway for compliance with this section.**

(b) For taxes due and payable in 2015 and 2016, each county shall publish a notice in accordance with IC 5-3-1 in two (2) newspapers published in the county stating the Internet address at which the information under subsection (a) is available and the telephone number through which taxpayers may request copies of a political subdivision's information under subsection (a). If only one (1) newspaper is published in the county, publication in that newspaper is sufficient. The department of local government



finance shall prescribe the notice. Notice under this subsection shall be published before September 14. Counties may seek reimbursement from the political subdivisions within their legal boundaries for the cost of the notice required under this subsection. The actions under this subsection shall be completed in the manner prescribed by the department.

~~(b)~~ (c) The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

- (1) in any county of the solid waste management district; and
- (2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

~~(e)~~ (d) The trustee of each township in the county shall estimate the amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

(e) A political subdivision for which any of the information under subsection (a) is not (before January 1, 2015) published and is not submitted to the department's computer gateway in the manner prescribed by the department shall have its most recent annual appropriations and annual tax levy continued for the ensuing budget year.

(f) If a political subdivision or appropriate fiscal body timely publishes (before January 1, 2015) and timely submits the information under subsection (a) but subsequently discovers the information contains a typographical error, the political subdivision or appropriate fiscal body may request permission from the department to submit amended information to the department's computer gateway and (before January 1, 2015) to publish the amended information. However, such a request must occur not later than seven (7) days before the public hearing held under subsection (a). Acknowledgment of the correction of an error shall be posted on the department's computer gateway and communicated by the political subdivision or appropriate fiscal body to the fiscal body of the county in which the political subdivision and appropriate fiscal body are located.

SECTION 21. IC 6-1.1-17-16, AS AMENDED BY P.L.218-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) Subject to the limitations and requirements



prescribed in this section, the department of local government finance may revise, reduce, or increase a political subdivision's budget by fund, tax rate, or tax levy which the department reviews under section 8 or 10 of this chapter.

(b) Subject to the limitations and requirements prescribed in this section, the department of local government finance may review, revise, reduce, or increase the budget by fund, tax rate, or tax levy of any of the political subdivisions whose tax rates compose the aggregate tax rate within a political subdivision whose budget, tax rate, or tax levy is the subject of an appeal initiated under this chapter.

(c) Except as provided in section 16.1 of this chapter, the department of local government finance is not required to hold a public hearing before the department of local government finance reviews, revises, reduces, or increases a political subdivision's budget by fund, tax rate, or tax levy under this section.

(d) Except as provided in subsection (i), IC 20-46, or IC 6-1.1-18.5, the department of local government finance may not increase a political subdivision's budget by fund, tax rate, or tax levy to an amount which exceeds the amount originally fixed by the political subdivision. However, if the department of local government finance determines that IC 5-3-1-2.3(b) **(before its expiration)** applies to the tax rate, tax levy, or budget of the political subdivision, the maximum amount by which the department may increase the tax rate, tax levy, or budget is the amount originally fixed by the political subdivision, and not the amount that was incorrectly published or omitted in the notice described in IC 5-3-1-2.3(b) **(before its expiration)**. The department of local government finance shall give the political subdivision notification electronically in the manner prescribed by the department of local government finance specifying any revision, reduction, or increase the department proposes in a political subdivision's tax levy or tax rate. The political subdivision has ten (10) calendar days from the date the political subdivision receives the notice to provide a response electronically in the manner prescribed by the department of local government finance. The response may include budget reductions, reallocation of levies, a revision in the amount of miscellaneous revenues, and further review of any other item about which, in the view of the political subdivision, the department is in error. The department of local government finance shall consider the adjustments as specified in the political subdivision's response if the response is provided as required by this subsection and shall deliver a final decision to the political subdivision.

(e) The department of local government finance may not approve a



levy for lease payments by a city, town, county, library, or school corporation if the lease payments are payable to a building corporation for use by the building corporation for debt service on bonds and if:

- (1) no bonds of the building corporation are outstanding; or
- (2) the building corporation has enough legally available funds on hand to redeem all outstanding bonds payable from the particular lease rental levy requested.

(f) The department of local government finance shall certify its action to:

- (1) the county auditor;
- (2) the political subdivision if the department acts pursuant to an appeal initiated by the political subdivision;
- (3) the taxpayer that initiated an appeal under section 13 of this chapter, or, if the appeal was initiated by multiple taxpayers, the first ten (10) taxpayers whose names appear on the statement filed to initiate the appeal; and
- (4) a taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

(g) The following may petition for judicial review of the final determination of the department of local government finance under subsection (f):

- (1) If the department acts under an appeal initiated by a political subdivision, the political subdivision.
- (2) If the department:
  - (A) acts under an appeal initiated by one (1) or more taxpayers under section 13 of this chapter; or
  - (B) fails to act on the appeal before the department certifies its action under subsection (f);

a taxpayer who signed the statement filed to initiate the appeal.

- (3) If the department acts under an appeal initiated by the county auditor under section 14 of this chapter, the county auditor.
- (4) A taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

The petition must be filed in the tax court not more than forty-five (45) days after the department certifies its action under subsection (f).

(h) The department of local government finance is expressly directed to complete the duties assigned to it under this section not later than February 15 of each year for taxes to be collected during that year.

(i) Subject to the provisions of all applicable statutes, the department of local government finance ~~may~~ **shall, unless the**



**department finds extenuating circumstances**, increase a political subdivision's tax levy to an amount that exceeds the amount originally ~~fixed~~ **advertised or adopted** by the political subdivision if:

- (1) the increase is ~~(1)~~ requested in writing by the officers of the political subdivision;
- (2) ~~either:~~ **the requested increase is published on the department's advertising Internet web site and (before January 1, 2015) is published by the political subdivision according to a notice provided by the department; and**
  - ~~(A) based on information first obtained by the political subdivision after the public hearing under section 3 of this chapter; or~~
  - ~~(B) results from an inadvertent mathematical error made in determining the levy; and~~
- (3) ~~published by the political subdivision according to a notice provided by the department. notice is given to the county fiscal body of the error and the department's correction.~~

**If the department increases a levy beyond what was advertised or adopted under this subsection, it shall, unless the department finds extenuating circumstances, reduce the certified levy affected below the maximum allowable levy by the lesser of five percent (5%) of the difference between the advertised or adopted levy and the increased levy, or one hundred thousand dollars (\$100,000).**

(j) The department of local government finance shall annually review the budget by fund of each school corporation not later than April 1. The department of local government finance shall give the school corporation written notification specifying any revision, reduction, or increase the department proposes in the school corporation's budget by fund. A public hearing is not required in connection with this review of the budget.

SECTION 22. IC 6-1.1-18-22 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 22. (a) As used in this section, "qualified taxing unit" refers to the following taxing units:**

- (1) DeKalb County.**
- (2) The town of Middlebury in Elkhart County.**
- (3) The town of Lewisville in Henry County.**
- (4) The town of Mooreland in Henry County.**

**(b) Before July 1, 2014, the department shall calculate and certify to the fiscal body of a qualified taxing unit the result of:**

- (1) the amount of the property tax levy that could have been imposed for property taxes first due and payable in 2014, if**





the budgets and levies of the qualified taxing unit had been properly advertised; minus

(2) the amount of the property tax levy approved by the department under IC 6-1.1-17 for property taxes first due and payable in calendar year 2014, after reducing the qualified taxing unit's budget and property tax levy because the qualified taxing unit's budget and property tax levy information were not properly advertised.

(c) After receiving the certifications required under subsection (b), the fiscal body of a qualified taxing unit may adopt an ordinance authorizing the qualified taxing unit to borrow money to replace part or all of the amount certified under subsection (b).

(d) If a qualified taxing unit receives a loan under this section, the fiscal officer of the qualified taxing unit shall deposit the loan in each fund affected by the reduction of the qualified taxing unit's budget and property tax levy. The amount deposited may be used for any of the lawful purposes of that fund.

(e) If a qualified taxing unit borrows money under subsection (c), the qualified taxing unit shall impose a property tax levy in calendar year 2015 for the qualified taxing unit's debt service fund to repay the total amount borrowed. The property tax levy under this subsection must be treated as:

- (1) protected taxes (as defined in IC 6-1.1-20.6-9.8); and
- (2) property taxes that are exempt from the levy limitations of IC 6-1.1-18.5.

(f) This section expires June 30, 2016.

SECTION 23. IC 6-1.1-18.5-8, AS AMENDED BY P.L.218-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit if the civil taxing unit is committed to levy the taxes to pay or fund either:

- (1) bonded indebtedness; or
- (2) lease rentals under a lease with an original term of at least five (5) years.

However, this section does not apply to ad valorem property taxes imposed by a township to repay money borrowed under IC 36-6-6-14.

(b) Except as provided by subsections (g) and (h), a civil taxing unit must file a petition requesting approval from the department of local government finance to incur bonded indebtedness or execute a lease with an original term of at least five (5) years not later than twenty-four (24) months after the first date of publication of notice of a preliminary



determination under IC 6-1.1-20-3.1(2) (as in effect before July 1, 2008), unless the civil taxing unit demonstrates that a longer period is reasonable in light of the civil taxing unit's facts and circumstances. A civil taxing unit must obtain approval from the department of local government finance before the civil taxing unit may:

- (1) incur the bonded indebtedness; or
- (2) enter into the lease.

(c) The department of local government finance shall render a decision within three (3) months after the date it receives a request for approval under subsection (b). However, the department of local government finance may extend this three (3) month period by an additional three (3) months if, at least ten (10) days before the end of the original three (3) month period, the department sends notice of the extension to the executive officer of the civil taxing unit. A civil taxing unit may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than forty-five (45) days after the department enters its order under this section.

(d) A civil taxing unit does not need approval under subsection (b) to obtain temporary loans made in anticipation of and to be paid from current revenues of the civil taxing unit actually levied and in the course of collection for the fiscal year in which the loans are made.

(e) For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a calendar year does not include that part of its levy that is committed to fund or pay bond indebtedness or lease rentals with an original term of five (5) years in subsection (a).

(f) A taxpayer may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than thirty (30) days after the department enters its order under this section.

(g) This subsection applies only to bonds, leases, and other obligations for which a civil taxing unit:

- (1) after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5; or
- (2) in the case of bonds, leases, or other obligations payable from ad valorem property taxes but not described in subdivision (1), adopts a resolution or ordinance authorizing the bonds, lease rental agreement, or other obligations after June 30, 2008.

Notwithstanding any other provision, review by the department of local



government finance and approval by the department of local government finance is not required before a civil taxing unit may issue or enter into bonds, a lease, or any other obligation.

(h) This subsection applies after June 30, 2008. Notwithstanding any other provision, review by the department of local government finance and approval by the department of local government finance is not required before a civil taxing unit may construct, alter, or repair a capital project.

SECTION 24. IC 36-1-8-17.5, AS ADDED BY P.L.205-2013, SECTION 345, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17.5. (a) ~~As used in this section, "OPEB" means a post-employment benefit that is considered to be an "other post employment benefit" under the standards of the Governmental Accounting Standards Board.~~

(b) ~~Each political subdivision must, before February 1 of each year, report to the department of local government finance the political subdivision's:~~

- ~~(1) OPEB liability;~~
- ~~(2) unfunded OPEB liability;~~
- ~~(3) OPEB assets;~~
- ~~(4) OPEB contributions; and~~
- ~~(5) OPEB expenses and expenditures;~~

~~for the preceding year.~~

(c) ~~A political subdivision must report, the information required by subsection (b) in the manner specified by the department of local government finance, information and data on its retiree benefits and expenditures by March 1 of each year.~~

SECTION 25. IC 36-4-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. Before the publication **(before January 1, 2015) and before the submission of** notice of budget estimates required by IC 6-1.1-17-3, each city shall formulate a budget estimate for the ensuing budget year in the following manner:

- (1) Each department head shall prepare for ~~his~~ **the department head's** department an estimate of the amount of money required for the ensuing budget year, stating in detail each category and item of expenditure ~~he~~ **the department head** anticipates.
- (2) The city fiscal officer shall prepare an itemized estimate of revenues available for the ensuing budget year, and shall prepare an itemized estimate of expenditures for other purposes above the money proposed to be used by the departments.
- (3) The city executive shall meet with the department heads and



the fiscal officer to review and revise their various estimates.

(4) After the executive's review and revision, the fiscal officer shall prepare for the executive a report of the estimated department budgets, miscellaneous expenses, and revenues necessary or available to finance the estimates.

SECTION 26. IC 36-5-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. Before the publication **(before January 1, 2015) and before the submission** of notice of budget estimates required by IC 6-1.1-17-3, each town shall formulate a budget estimate for the ensuing budget year in the following manner, unless it provides by ordinance for a different manner:

(1) Each department head shall prepare for ~~his~~ **the department head's** department an estimate of the amount of money required for the ensuing budget year, stating in detail each category and item of expenditure ~~he~~ **the department head** anticipates.

(2) The town fiscal officer shall prepare an itemized estimate of revenues available for the ensuing budget year, and shall prepare an itemized estimate of expenditures for other purposes above the money proposed to be used by the departments.

(3) The town executive shall meet with the department heads and the fiscal officer to review and revise their various estimates.

(4) After the executive's review and revision, the fiscal officer shall prepare for the executive a report of the estimated department budgets, miscellaneous expenses, and revenues necessary or available to finance the estimates.

SECTION 27. IC 36-8-19-8, AS AMENDED BY P.L.182-2009(ss), SECTION 443, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) Upon the adoption of identical ordinances or resolutions, or both, by the participating units under section 6 of this chapter, the designated provider unit must establish a fire protection territory fund from which all expenses of operating and maintaining the fire protection services within the territory, including repairs, fees, salaries, depreciation on all depreciable assets, rents, supplies, contingencies, and all other expenses lawfully incurred within the territory shall be paid. The purposes described in this subsection are the sole purposes of the fund, and money in the fund may not be used for any other expenses. Except as allowed in subsections (d) and (e) and section 8.5 of this chapter, the provider unit is not authorized to transfer money out of the fund at any time.

(b) The fund consists of the following:



- (1) All receipts from the tax imposed under this section.
- (2) Any money transferred to the fund by the provider unit as authorized under subsection (d).
- (3) Any receipts from a false alarm fee or service charge imposed by the participating units under IC 36-8-13-4.
- (4) Any money transferred to the fund by a participating unit under section 8.6 of this chapter.

(c) The provider unit, with the assistance of each of the other participating units, shall annually budget the necessary money to meet the expenses of operation and maintenance of the fire protection services within the territory. ~~plus~~ **The provider unit may maintain a reasonable operating balance, not to exceed one hundred twenty percent (20%) (120%)** of the budgeted expenses. Except as provided in IC 6-1.1-18.5-10.5, after estimating expenses and receipts of money, the provider unit shall establish the tax levy required to fund the estimated budget. The amount budgeted under this subsection shall be considered a part of each of the participating unit's budget.

(d) If the amount levied in a particular year is insufficient to cover the costs incurred in providing fire protection services within the territory, the provider unit may transfer from available sources to the fire protection territory fund the money needed to cover those costs. In this case:

- (1) the levy in the following year shall be increased by the amount required to be transferred; and
- (2) the provider unit is entitled to transfer the amount described in subdivision (1) from the fund as reimbursement to the provider unit.

(e) If the amount levied in a particular year exceeds the amount necessary to cover the costs incurred in providing fire protection services within the territory, the levy in the following year shall be reduced by the amount of surplus money that is not transferred to the equipment replacement fund established under section 8.5 of this chapter. The amount that may be transferred to the equipment replacement fund may not exceed five percent (5%) of the levy for that fund for that year. Each participating unit must agree to the amount to be transferred by adopting an ordinance (if the unit is a county or municipality) or a resolution (if the unit is a township) that specifies an identical amount to be transferred.

(f) The tax under this section is subject to the tax levy limitations imposed under IC 6-1.1-18.5-10.5.

**SECTION 28. [EFFECTIVE UPON PASSAGE] (a) IC 6-1.1-12-10.1, IC 6-1.1-12-12, IC 6-1.1-12-15, IC 6-1.1-12-17,**



**IC 6-1.1-12-17.5, IC 6-1.1-12-27.1, IC 6-1.1-12-30, IC 6-1.1-12-35.5, IC 6-1.1-12-38, IC 6-1.1-12-45, IC 6-1.1-12.6-3, and IC 6-1.1-12.8-4, all as amended by this act, apply to deductions claimed for assessment dates after February 28, 2014.**

**(b) This SECTION expires July 1, 2018.**

**SECTION 29. An emergency is declared for this act.**



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Speaker of the House of Representatives

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President of the Senate

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President Pro Tempore

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

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